

Neighborhood Stabilization Program Progress Report

The City of Albuquerque was awarded \$7,000,000 of Neighborhood Stabilization Program (NSP) funds through the State of New Mexico Department of Finance and Administration (DFA) to acquire foreclosed residential properties for the purpose of rehabilitation to sell and rent to income eligible families. A total of \$3,532,366 or 50.5% of the funds are obligated. Following is a report on the status of the City's NSP.

The NSP Budget as amended:

NEIGHBORHOOD STABILIZATION PROGRAM BUDGET			
	Original Budget In Plan	Budget Adjustments Requested	Current Percentages
Administration and Planning	\$ 490,000	\$ 490,000	7%
HUD-Certified Counseling Provider	\$ 100,000	\$ 97,500	1%
<i>Activity #1: NSP Acquisition/Rehab for Resale or Rent, Demolition and Redevelopment</i>			
25% for households at or below 50% of Area Median Income – Purchase and Rehabilitation or new construction	\$1,750,000	\$2,102,500	30%
Demolition	\$ 250,000	-0-	0%
Purchase, Rehabilitation and Redevelopment	\$3,375,000	\$4,310,000	62%
<i>Activity #2: NSP Financing Mechanisms</i>			
Financing mechanisms to assist eligible homebuyers to purchase homes	\$1,035,000	-0-	0%
Total Allocation	\$7,000,000	\$7,000,000	100%

Reason for Amendments:

1. Funds in the amount of \$250,000 were originally set aside for Demolition. However, as properties became available it became apparent that the greater need was for acquisition/rehab rather than demolition. Therefore, the funds were transferred to Acquisition/Rehab for Resale or Rent. This allowed the City to increase the number of existing properties to rehabilitate and bring back on line for eligible homebuyers and renters.

2. Funds in the amount of \$1,035,000 were originally set aside for Financing Mechanisms, i.e. Silent Second Mortgages, for income eligible homebuyers. After the NSP was implemented, it became clear that a portion of the funds invested for acquisition and rehabilitation would remain in the property as a Silent Second Mortgage, thereby eliminating the need for a separate fund for financing mechanisms. Therefore, the funds were transferred to Acquisition/Rehab for Resale or Rent.

Selection of Contractors:

Contractors were selected through a competitive Request for Proposal (RFP) process. The following contractors were selected to undertake specific activities.

CONTRACTOR	ACTIVITY	AMOUNT OF AWARD
Omni Development Group, Inc.	Acquire and rehabilitate 24 single family properties to sell to families whose incomes do not exceed 120% of the area median income.	\$4,038,000
T and C Management, LLC	Acquire and rehabilitate 32 units to rent to income eligible families. Seventy percent of the units must be rented to families whose incomes are at or below 50% of the area median income.	\$1,985,504
Pacific Municipal Consultants, dba PMC	Environmental Reviews	\$34,490
Greater Albuquerque Housing Partnership, (GAHP)	Homebuyer Education and Counseling	\$97,500

Program Implementation:

1. Omni Development Group, Inc. has acquired 12 homes. Three homes are in various stages of rehabilitation and one homebuyer has been selected.
2. T and C Management, LLC has acquired 4 rental properties totaling 15 units. Rehabilitation is completed on one building and tenants whose incomes are at or below 50% area median income reside in two of the units. The other three buildings are in various stages of rehabilitation.
3. Pacific Municipal Consultants has completed 16 site specific reviews and is in the process of completing an Environmental Assessment to accommodate the purchase of two 5+ multi-family buildings by T and C Management, LLC.

4. Greater Albuquerque Housing Partnership will work with Omni Development Group, Inc. to identify potential homebuyers and provide homebuyer education and pre-counseling once homes are rehabilitated and ready for purchase. GAHP has worked with one potential homebuyer who is hoping to purchase their home prior to July 1, 2010.

Homes and Apartments Available:

If you are interested in purchasing or renting a foreclosed property that has been rehabilitated through the Neighborhood Stabilization Program (NSP), please contact one of the following:

To purchase an NSP home, contact the Omni Development Group at 505-792-4430 or visit their website www.omni-online.com 

To rent an NSP unit, contact T & C Management at 505-268-1181 or visit their website at www.tandcmanagement.com 

For more information:

For information about the Neighborhood Stabilization Program, please contact Elizabeth Dwyer at edwyer@cabq.gov or 505-768-2933.